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October 31, 2018

VIA HAND DELIVERY

The Honorable Peter J. Messitte
United States District Court
District of Maryland, Southern Division
6500 Cherrywood Lane, Suite 475A
Greenbelt, Maryland 20770
(301) 344-0632

RE: ***Federal Trade Commission v. AmeriDebt, Inc.*, No. 03-cv-3317-PJM (D. Md.)**
***Federal Trade Commission v. Ecological Fox LLC*, No. __-cv-____ (D. Md.)**
***In re Sanctuary Belize Litigation* (proposed)**
Overview of FTC *Ex Parte* Filings

Judge Messitte,

Today, the FTC submitted multiple filings in *AmeriDebt* and a newly-filed and closely-related matter, *Ecological Fox*. The filings concern lot sales from land in Belize that the Court addressed during the 2015 supervised release hearing in *United States v. Pukke*. The Commission alleges that Andris Pukke and subordinates operate the largest real estate scam the Commission has ever investigated, in violation of multiple Court orders and federal law. Counsel apologizes in advance for the extensive filings. Although we have done everything in our power to pare down the pleadings, the complexity, sophistication, and reach of defendants' vast scheme make less extensive filings impractical. To help navigate these filings, this letter provides an overview of each, and asks the Court to temporarily seal them (and to delay docketing them via ECF) to maximize the likelihood of victim redress.

The Commission's filings in both matters include several we ask the Court to address as soon as possible:

- Motions To Delay ECF. Substantively identical motions in *AmeriDebt* and *Ecological Fox* ask the Court to delay ECF until the Court can evaluate the Commission's other filings. The FTC also submits proposed orders.

- Motions To Temporarily Seal. Substantively identical motions in *AmeriDebt* and *Ecological Fox* ask the Court to seal both matters for a short period until service, and for certain related relief designed to expedite and maximize public disclosure after service while complying with applicable law. The FTC also submits proposed orders.

- Motion for an *Ex Parte* TRO and Supporting Memorandum. The FTC conducted a nonpublic investigation (with undercover components) concerning misrepresentations Pukke and others make to sell lots in Belize to American consumers. In the newly-filed *Ecological Fox* matter, the FTC's motion for an *ex parte* TRO seeks a temporary asset freeze, writs *ne exeat*, immediate access to business premises, a temporary receivership (we propose to use Robb Evans & Associates, the *AmeriDebt* receiver), and other equitable relief meant to maximize the chance that victims recover. As the motion explains, notice to defendants likely will cause the dissipation of assets, destruction of evidence, and potential flight of certain parties.[1]

- Proposed *Ex Parte* TRO. The FTC files a proposed *ex parte* TRO in *Ecological Fox* consistent with the Memorandum.

- Rule 65(b)(1) Certification. In compliance with Rule 65(b)(1), the undersigned provides a certification supporting the need for *ex parte* relief in *Ecological Fox*. The certification concisely summarizes certain major factual issues.

- Evidence Supporting the *Ex Parte* TRO. The FTC files approximately forty declarations (and two expert reports) supporting the motion. There are more than 14,000 pages of evidence attached to the declarations, which the FTC has provided to the Clerk's Office in hard copy and on encrypted thumb drives.[2]

- Motion To Extend Page Limits. The FTC files a motion to extend the page limit associated with the motion for an *ex parte* TRO in *Ecological Fox* (and a proposed order). We appreciate the Court's attention to this case, and we apologize for the filing's length. However, the matter is critical to the Commission, the misconduct alleged is serious, and the record is extensive.

The FTC also filed additional substantive and procedural filings in both matters including three contempt motions in *AmeriDebt*. Notably, the supporting evidence for these motions includes the same set of materials supporting the FTC's motion for an *ex parte* TRO in *Ecological Fox*.

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[1] The matters involve the FTC's coordination with multiple local, federal, and international stakeholders. There are also certain safety considerations. If the Court grants the pending motions, to minimize the chance that the matters are unsealed while American consumers tour lots in remote southern Belize, the FTC seeks to conduct service and the immediate access to business premises on **Wednesday, November 7**.

[2] Instructions regarding the encrypted thumbdrive are enclosed (passcode 84671).

- Motion for Contempt (Telemarketing) and Supporting Memorandum. This motion alleges the misrepresentations Pukke and parties acting in concert with him (Peter Baker and John Usher) make while telemarketing lots violate the Court's permanent injunction in *AmeriDebt*.

- Motion for Contempt (Parcel of Land in Belize) and Supporting Memorandum. This motion alleges that Pukke and parties acting in concert with him (Baker and Usher) conspired to surreptitiously retain control over a parcel of land in southern Belize (now used for unlawful lot sales) notwithstanding multiple orders in *AmeriDebt* that Pukke and Baker relinquish control of the parcel.

- Motion for Contempt (Payments to John Vipulis) and Supporting Memorandum. This motion alleges that Pukke is using illegally-obtained lot sale proceeds to repay the loan Vipulis made to help conclude Pukke's coercive incarceration in *AmeriDebt* despite the Court's order that Pukke and Vipulis subordinate that debt to the Commission's still-unsatisfied *AmeriDebt* judgment.

- Motion to Consolidate. Identical motions (in both *AmeriDebt* and *Ecological Fox*) ask the Court to consolidate these matters because the factual issues they involve are essentially the same. The FTC also submits proposed orders.

- Requests for Entry of Appearance. The FTC's counsel filed requests for entry of appearance (in both *AmeriDebt* and *Ecological Fox*).

We would welcome the opportunity to be heard on the various pending motions, and we can appear at any time given only a few hours' notice.

Very truly yours,

Jonathan Cohen
Counsel to Plaintiff Federal Trade Commission

Enclosures

Motions To Delay ECF (Tab 1) (and proposed orders (Tab 2))
Motions To Seal (Tab 3) (and proposed orders (Tab 4))
Motion for *Ex Parte* TRO and Supporting Memorandum (Tab 5)[3]
Proposed *Ex Parte* TRO (Tab 6)
Rule 65(b)(1) Certification (Tab 7)
Page Limits Motion (Tab 8) (and proposed order (Tab 9))
Encrypted Thumb Drive Instructions (Passcode 84671) (Tab 10)

[3] As the motions to seal address, the TRO Memorandum contains a few redacted words concerning one defendant's use of corporate assets for expenses related to a health issue, the nature of which is not material. Counsel will provide the Court with an unredacted version promptly upon request.